



Harborlight Community Partners CDC Updated Community Investment Plan (CIP) - Exhibit 2

For Massachusetts Department of Housing and Community Development Community Investment Tax Credit Program

Section 1

Community or Constituency (ies) to be served by the organization

This section must clearly identify the neighborhoods, towns and/or cities to be served including population, demographics and geographic characteristics and/or identify the particular constituency(ies) to be served – population, demographics and geographic characteristics.

Harborlight Community Partners (HCP) is focused on providing affordable housing in Southern Essex County for low and moderate income people.

- **Income:** Our primary goal is to increase and preserve the supply of affordable housing for residents below 30% of the area median income; 60% of our residents earn below \$20,000 per year and 94% earn below \$35,000 per year. Secondly, we have a strong interest in providing housing for people in the 31%-60% of AML range. Finally, should there be a compelling need in a municipality we serve to consider moderate income housing or mixed income housing we are open to this as a third level priority. We will do this type of housing as it supports our primary and secondary goals.
- **Geography:** HCP has a footprint containing 22 communities on the North Shore. The list is below and a map is attached.. HCP currently has housing in 9 of the 22 communities; 3 of the communities in this footprint are Gateway Cities and 7 of the communities are rural. HCP is involved with housing in 2 of the Gateway Cities (Peabody, Salem) and 2 of the rural communities (Rockport, Wenham). HCP has been active at various times considering projects in 14 of the 22 communities.

Beverly*	Boxford	Danvers	Essex
Georgetown	Gloucester*	Hamilton*	Ipswich*
Lynn	Lynnfield	Manchester	Marblehead*
Middleton	Nahant	Peabody*	Rowley
Rockport*	Salem*	Saugus	Swampscott
Topsfield	Wenham*		

*HCP Current Community

- **Residents:** HCP is open to considering the preservation or creation of affordable housing that may benefit any group needing additional special services provided the housing serves people in the income range noted here and that the housing is located in this geography. This may included frail elders, families, and the homeless to name a few categories.
- **A Map of Our Regional Footprint and Partner Communities is provided:**

Project Pipeline Map: North Shore



1. Boston Street Crossing
2. Hardy Street
3. Granite Street Crossing
4. Cabot Street Y
5. Gloucester Y
6. Anchor Point I
7. Anchor Point II
8. Maple Woods I

Harborlight Community Partners: Summer 2017 Project Pipeline



Section 2

Involvement of community residents and stakeholders

This section must provide a description and evidence of resident and stakeholder engagement in the organization. Describe the degree to which residents and stakeholders were engaged in the development of the Plan. Include examples of engagement activities, numbers of events, participation figures, and other quantified measures.

Describe the role residents and stakeholders have in monitoring and implementing Plan activities. Include examples of current and projected roles to be played, number and type of opportunities for involvement and the mechanisms for monitoring progress.

• Resident and Stakeholder Plan Engagement:

- Historically, HCP is an amalgamation of the work of several regional North Shore-based affordable housing advocates.
 - 2008: representatives from seven entities affiliated with First Baptist Church in Beverly, with combined decades-long experience, worked toward becoming the key regional affordable housing entity for the North Shore. This resulted in a merger, with a new name, by-laws and board by 1/1/2009 and involved well over 30 stakeholders in the process.
 - 2009: three smaller local affordable housing groups (We Care About Homes, Home At Last, and North Shore Housing Trust) merged with HCP for the stability and infrastructure to sustain housing mission. This involved about 15 board members and three families who were owners of the limited equity cooperative.
 - 2011: HCP merged with the Community Land Trust of Cape Ann to steward 49 units of first time homebuyer housing. This involved CLT board members and owners of land trust units (40-50 people).
 - 2014: HCP became sole member of the Marblehead Community Housing Corporation to preserve its

housing stock. This involved 7-8 directors of MCHC, including a low income resident.

- 2010: HCP underwent a strategic planning process requiring multiple meetings and data evaluation. This involved the HCP board of directors, all of whom are residents of the service area resulting in a business plan for 2010-2013.
- 2013: HCP board of directors underwent a new strategic planning process to evaluate the progress and consider challenges and opportunities, and potential partnerships. This process involved long discussions with two other non profits in the area about significant partnership or merger. Those intensive and extensive discussions dominated 2013-2014 (included over 40 people).
- 2014: Out of this one collaboration with the Women's Institute for Housing and Economic Development was engaged for multiple years and is now largely complete.
- 2015-17: This collaboration precluded for some time the discussion of a second partnership/ merger. That discussion resurfaced; during 2015-2017, HCP and the YMCA of the North Shore considered possible options for partnership. By fall of 2017 it was decided that HCP and the YMCA of the North Shore would collaborate as mutually supportive but distinct entities. This is now manifesting in HCP providing development services for two YMCA projects. The YMCA is a broad regional organization with a large board of directors and 30,000 members in the area.
- As a part of the original CIP process in late 2014/2015 a community wide survey was completed which provided valuable data from stakeholders about how they understood affordable housing and what they thought HCP's priority missional areas should be.
- A Resident Advisory Council has been created as a means by which residents could actively participate in the missional outcomes of HCP. The RAC has participated in housing advocacy policy; the group and how it functions continues to evolve. One RAC member has also joined the Board of Directors.

- **Stakeholder Monitoring/Implementation**

- **Current/Projected Systems:**

- **Type:**

There are four board meetings per year, twelve executive committee meetings per year and four audit and finance committee meetings per year. Other committees meet as needed (personnel, project, policy). The Board and committees have two main mechanisms to monitor the organization and its missional progress. The first mechanism is a pipeline report that details what affordable housing development projects are being considered, what projects are in process, and what projects are closing out. The second mechanism is the quarterly financial report that demonstrates the viability of the entities pursuing the missional goals noted above. This will continue. There are also a number of resident committee meetings at specific properties that vary in frequency. The resident committees at their various meetings have a constant ability to refer issues at a property level to the HCP Property Management staff. They also have the ability to call or email to request information or communication with the supervisors of the Property Management staff. At the larger buildings or during significant refinancing or rehabilitation residents also have access to management staff through periodic meetings depending on the scope of the project. The Board of Directors will engage in a strategic planning process in late 2017 and early 2018.

The makeup of the HCP board of directors will continue to adjust in response to its goals of a more full and ongoing community representation. This will include consistently having a percentage of LMI local residents and racial minority local residents that match the ratio of the HCP footprint population. For example, the minority population in the HCP footprint is 13% and the LMI ratio is similar therefore HCP will plan to have on an ongoing basis minority Directors making up 13% and LMI representative making up just under 13% of the total board. Currently HCP has 3 of 20 Directors, (15%) who are also residents representing the LMI population and 1 of 20 who is a person of color (5%). Before the CIP was originally created both these percentages were 0%. As it stands HCP is slightly exceeding

the goal of LMI representation and below its goal of representation by persons of color. The goal here then is improve the ratio of Directors of color to at least 13% in the next two years while maintaining the representation of LMI residents. .

- **Number:**
4 quarterly meetings of the full board, 12 Executive Committee meetings, 4 audit and finance meetings.
- **Mechanism to Monitor:**
The quarterly financial reports and quarterly project pipeline reports will continue. HCP has also created a dashboard system for the full board and the public that will detail progress made on the CIP goals and organizational health. This system has been years in the making and will be operational in 2018.
- **Type:**
The Resident Advisory Council created in 2015 will continue and grow with the support of newly designated staffing resources.
- **Number:**
As the RAC grows the total number of meetings and the status of officers will be determined by the council itself. The purpose of the council will be to provide feedback to the full HCP Board about the HCP organizational strategy, affordable housing advocacy in the region, potential projects, and ongoing improvement of management of existing projects. We also expect that the RAC may be involved in advocacy for policies or projects that increase or preserve affordable housing in the region as they may decide.
- **Mechanism to Monitor:**
There will be two main mechanisms used by the council to monitor HCP's progress on the CIP. First, the council will have access to the newly created dashboard in 2018 detailing progress on the plan. Second, the council will have a liaison to the HCP Board of Directors. That representative will provide and receive feedback from the Resident Council and the full HCP Board of Directors.
- **Type:** HCP will continue a community survey in a triennially. This survey will request feedback from stakeholders on what they think HCP should have for priorities, goals, and actions.
- **Number:** This survey will seek participation every three years from representatives in all 22 communities in our footprint and not less than 200 people. The data and the survey will be published on the HCP website. The aggregate data will be recirculated to all survey respondents.
 - Should there be interest HCP will also host two meetings per year inviting stakeholders to come and provide feedback on the HCP CIP.
 - Should there be interest HCP will also inform each planning department and affordable housing committee in each of the 22 communities that we would like to come and meet with them at their location to seek their feedback directly on the CIP and or how they would like to have HCP involved in helping them meet their goals.
- **Mechanism to Monitor:** The survey results and their interaction with the CIP progress report will be the primary method for the broader public to monitor progress in this area.

Section 3

Plan goals

This section must clearly identify the goals of the CIP. It must identify how low and moderate income households and other constituencies will benefit from achieving the goals, and identify how the entire community will benefit from achieving the goals

- **CIP Goals for HCP:**
 - **GOAL:** Provide high quality operation or support for the current North Shore portfolio of soon to be 392 homes providing housing for an over 500 people. This would include day to day property management and long term asset management as relevant to the specific property.

- **Benefits:**
 - **LMI:** Residents of these buildings have safe, high quality, affordable places to live that are well maintained.
 - **Service Entities:** Other non profits and for profits that provide services to LMI people will benefit from the stability of the housing situation of these current residents. The affordable housing will make the service provision more effective. Also these entities will have access to housing units for new residents.
 - **Municipalities:** Cities and Towns have good affordable housing for their residents and have the benefit of these units counting on their "subsidized housing inventory".
 - **Community at Large:** Communities have good, affordable places for families, neighbors, employees, others to live with dignity within the region.
- **GOAL:** Develop and/or preserve additional affordable housing throughout the region.
 - **Benefits:**
 - **LMI:** More people who need affordable housing will be able to access it in the HCP footprint. LMI households living in existing buildings HCP might preserve will be secure in knowing the affordability will be maintained.
 - **Service Entities:** Other groups needing housing for their clients will have access to new units for them.
 - **Municipalities:** Cities and Towns maintain existing units on the subsidized housing inventory. They will also be able to add units to their inventory. In some cases, they may be able to address fair housing problems, specifically issues of segregation by race and class. Finally, they will have more units of housing in the region for their citizens.
 - **Community at Large:** The tremendous demand in the region of affordable housing will be in some part met by the provision of more units. Our regional inventory that is available to meet this demand will also be protected by preserving existing units. Community members will have the chance to pursue housing in more locations with more opportunities for choice and access to resources.
- **GOAL:** Improve stakeholder participation in the strategic planning and governance of HCP and associated properties.
 - **Benefits:**
 - **LMI:** LMI households will have the ability to influence existing HCP property management, the provision of new HCP units, and any strategy HCP might engage in for advocacy or planning. Their housing could be improved and they could help create more housing for other LMI households. They could also be involved in advocating for local, state, or federal policies that better support their success or other LMI households in need of housing.
 - **Service Entities:** Other groups can influence HCP's existing housing operation and the development of future housing. This benefits them by improving any current operational challenges that might be needed to serve their clients. It also benefits them by giving them a voice to advocate for certain kinds of housing needed by their constituents (i.e. homeless housing).
 - **Municipalities:** Cities and Towns benefit by having the ability to collaborate with HCP in their specific areas to meet local, unique goals. They are able to utilize HCP as the regional housing mechanism and therefore benefit by having capacity to direct toward their goals without having to carry or recreate infrastructure in areas that are often too small to have such capacity.
 - **Community at Large:** The wider population also benefits from helping to direct what kind of work HCP should be doing and where. This allows them to influence HCP's efforts to address the needs they find most important.
- **GOAL:** Support the utilization of fallow local housing capital (CPA, Trusts).
 - **Benefits:**
 - **LMI:** If more local money that is held can be put into action more units will be created and more LMI households will benefit from having affordable homes.
 - **Service Entities:** Similarly if more local money is in use there will be more units for the clients of service organizations.
 - **Municipalities:** The benefit here is that local groups who are building up capital without the ability to

- use it will be able to put it into action and create units. These housing units will count on their subsidized housing inventory list and they will provide much needed housing for their residents.
- **Community at Large:** The wider community will benefit as the others above will. There will be more units for those who need them. Fallow money will be turned into housing. This housing will help communities meet their specific local goals while also meeting the housing goals of the region.
- **GOAL:** Encourage, educate, and/or assist local municipal affordable housing groups and associated municipal staff or officials in their community based affordable housing efforts.
 - **Benefits:**
 - **LMI:** LMI households will have more access to more affordable units.
 - **Service Entities:** Organizations will be able to refer their clients to newly created units.
 - **Municipalities:** Cities and Towns will be able better meet their local affordable housing goals. They will also be able to deal with problems when they arise which they lack the capacity to handle currently. Finally, they will be able to address in some ways fair housing problems and discrimination rooted in historic zoning and financing patterns.
 - **Community at Large:** The community at large will have more access to more affordable housing. They will also have access to it in more locations with more opportunities for choice and access to resources.
 - **GOAL:** Provide first time homebuyer support on the North Shore. If possible provide some modest first time homebuyer financial assistance to buyers below 80% AML.
 - **Benefits:**
 - **LMI:** Potential LMI homebuyers would have access to a locally based and well informed resource to assist them in their efforts to buy a house.
 - **Service Entities:** Non profits and businesses that need this type of assistance for their clients, customers or employees would be able to access it.
 - **Municipalities:** Cities and Towns could have access to this service close to home for their residents.
 - **Community at Large:** The wider North Shore could access this service and benefit more potential homeowners without residents having to travel significant distances which are prohibitive.

Section 4

Activities to be undertaken

This section must clearly describe the activities to be undertaken under the Plan including community development activities consistent with the Program definition of community development activities (see Submission Content, Section II.). The materials must clearly identify the expected impact the activities will have on the identified goals and the community/constituency(ies) to be served.

- **Property Management Activities:** Operate the buildings with good and measurable quality and a commitment to HCP values and the respectful treatment of the people. Create service partnerships to meet the needs of the residents.
 - **Impact on goals:** Residents of the buildings will have quality places to live where they are treated well and the rent is affordable. Residents will have access to services they need to maintain their quality and stability of life.
- **Development Activities:** HCP will build local relationships with municipal housing groups, evaluate and visit potential sites for new projects or preservation, navigate and work with local politics including local neighborhoods, perform with the proper team all manner of due diligence (environmental, design, engineering, financing etc.), assemble a financing package and submit all needed applications, close financing, manage construction, and ensure effective and compliant lease up processes.
 - **Impact on goals:** Existing units will be preserved and new units will be created. Access to communities with very little housing choice will be created.
- **Stakeholder Participation Activities:** HCP is committed to enhancing our local and constituent based governance structure. Our intent is to augment our local leadership, as shown by the excellent percentage of

Board members who are residents of our service area (100%), in two ways. First, HCP will continue to cultivate the breadth and quality of the Resident Advisory Council. This council will be open to all residents of our buildings across the North Shore. The vast majority of those residents are low and moderate income. This RAC will meet during the year to discuss and become involved in various advocacy efforts while also creating recommendations to the full HCP Board of Directors regarding project priorities and needed advocacy around affordable housing in our region. Second, HCP will continue to maintain and improve the percentage of low and moderate income persons and those of racial and ethnic minorities in the governance and planning process of the organization. Great progress has been made over the last nearly 3 years and HCP commits to continue this effort such that there will always be a representation on the board consistent with the community makeup.

- **Impact on goals:** Local residents, organizational stakeholders and municipal stakeholders will have the ability to influence the policy and planning of the HCP Board of Directors. Also resident constituents, LMI constituents and racial minority constituents will have the ability to participate in governance and exercise influence over the planning and policy priorities of HCP.
- **Local Capital Usage Activity:** HCP will continue to build on its track record of helping communities use locally held capital by maintaining existing relationships and building relationships with other local municipalities within our footprint. HCP has used local capital five times in recent years with three of these instances requiring town meeting votes (Hamilton: \$180,000 CPA; Rockport/Pigeon Cove \$600,000 CPA via town meeting and \$250,000 via a trust, and Rockport/Rockport High School Apartments \$250,000 CPA via town meeting). The other two were Beverly CPA and Salem CPA. HCP also helped the Town of Wenham put their Trust capital into use on a vacant unit. Recently the Town of Hamilton's affordable housing trust voted to support another 60 units of affordable housing with \$600,000. This process is ongoing as is a similar process in Wenham where the housing Trust has recommended another \$850,000 to the Board of Selectmen. HCP will continue to formally reach out to each of the 22 communities and offer assistance in thinking through each City or Town's housing goals and how they might put local money into use. We will also be available to talk with communities who have no local capital about ways they may want to consider creating such a capital pool. Finally HCP will apply to use local capital sources for projects in the region.
 - **Impact on goals:** First, communities will have a local resource for planning how to use their capital. Second, communities will have local examples of how this capital can be used effectively. Third, communities will have a trusted local non profit group who can and will put their capital into actual use in their City or Town consistent with their affordable housing goals to create or preserve units for people. Fourth, communities will be able to deploy their own capital to improve on their fair housing status.
- **Municipal Education and Assistance Activity:** HCP will reach out directly to the appropriate committee and/or staff members in each municipality within our footprint to offer help as noted above. This help will be available to evaluate specific projects, solve specific problems or support planning for affordable housing goals or funding mechanisms including improving fair housing access.
 - **Impact on goals:** Each municipality will have access to support in planning and evaluation of projects or solving problems with existing projects. This will result in more of the 22 communities in our footprint being able to act on their affordable housing goals.
- **First Time Homebuyer Activity:** HCP will partner with the North Shore Association of Realtors to provide first time homebuyer education and counseling at least four times a year.
 - **Impact on goals:** LMI households on the North Shore will have access to quality homebuyer support which will help them to acquire houses in the region improving their equity position over time with its myriad benefits as well as securing access to local resources such as quality public education. This will also improve the fair housing standing of some communities.

Section 5

How success will be measured and/or evaluated

This section must describe the tools and methodologies to be used to measure the impact/outcomes associated with undertaking the goals, programs, policies and activities in the Plan. Identify the evaluation process, the participants in the process and the role(s) they will play.

- **Outcomes**

- **GOAL:** Provide high quality operation or support for the current North Shore portfolio of 392 homes providing housing for over 500 people. This would include day to day property management and long term asset management as relevant to the specific property.
 - **Projected Outcomes:** Positive resident experience, strong project compliance, financial, and physical performance.
 - **Measurement Mechanism(s)/Benchmarks:** Low vacancy rates, low eviction rates, high resident satisfaction expressed by residents via triennial surveys, good financial performance shown via annual audits and quarterly financial reports, good compliance reports from lenders, investors or their designees, good physical evaluation reports internally by HCP (quarterly) and by any outside entity on their schedule, and refinancing plans and implementation for recapitalization and sustainable operation as needed. Much of this will be presented in the newly created HCP Monthly Management Review form which was built, thanks to the CITC, as a mechanism to improve property management through the prioritization and scoring of various functions and association outcomes such as those listed here.
 - **Participants:** Project residents, property staff, family members, neighbors, resident advisory council members, lenders and investors, public evaluating bodies, service partners, auditors, HCP Board of Directors, including committees, and municipal leaders. All of these groups will have access to the measurement data in meetings and/or reported data. They will also have the opportunity to comment on the data in meetings or via the community survey. The property staff will be directly involved in the effort to deliver on the action items that will result in the project outcomes. The feedback from all these groups will be used by the HCP Board of Directors to adjust and improve the organizational strategy plan for the following year.
- **GOAL:** Develop and/or preserve additional affordable housing in the region.
 - **Projected Outcomes:** The preservation or creation of more affordable housing units in more locations throughout the region.
 - **Measurement Mechanism(s)/Benchmarks:** The number of units preserved or created. The quality of the experience of the host community in that process evaluated via a survey for neighbors and community leaders. The locations of the units created or preserved from a fair housing perspective.
 - **Participants:** HCP Board of Directors, Resident Advisory Council, pertinent community leaders and neighbors. All of these groups will view the measurement data in meetings and/or in reported data via the CIP dashboard report. They will have the opportunity to comment on the data in meetings or via the community survey. The feedback from all these groups will be used by the HCP Board of Directors to adjust and improve the organizational strategy plan for the following year.
- **GOAL:** Improve stakeholder participation in the strategic planning and governance of HCP and associated properties.
 - **Projected Outcomes:** Stewardship, growth and effectiveness of a resident advisory council, ratio of LMI and racial minority members on the board to match regional ratios on an ongoing basis with annual progress until base goals are met, local community feedback available via triennial survey.
 - **Measurement Mechanism(s)/Benchmarks:** Existence and function of resident advisory council, ratio of LMI and racial minority members on the board, implementation and result of community survey.
 - **Participants:** HCP Board of Directors, Resident Advisory Council (RAC) members, local community members, non profits, businesses, and municipal leaders. The HCP Directors and the RAC will have access to this data in the form of the CIP dashboard.. The other groups will have access to this data in

the dashboard. They will be able to interact with the data via the community survey. The feedback from all these groups will be used by the HCP Board of Directors to adjust and improve the organizational strategy plan for the following year.

- **GOAL:** Support the utilization of fallow local housing capital (CPA, Trusts).
 - **Projected Outcomes:** The use of local capital by HCP and others to create affordable housing.
 - **Measurement Mechanism(s)/Benchmarks:** The amount of local capital committed to actual projects and then used in actual projects. The number of units actually created with local capital. The municipal location of the units created.
 - **Participants:** HCP Board of Directors and the Resident Advisory Council will receive this data in the CIP dashboard report in their regular meetings where they will also be able to comment on it. This dashboard data will be available at any time to the broader public on the HCP website. If it is appropriate this data will also be shared with municipal groups in the HCP footprint. These groups will have the opportunity then to provide comments via the community survey process. The feedback from all these groups will be used by the HCP Board of Directors to adjust and improve the organizational strategy plan for the following year.
- **GOAL:** Encourage, educate, and/or assist local municipal affordable housing groups and associated municipal staff or officials in their community based housing efforts.
 - **Projected Outcomes:** Improved knowledge of local municipal staff and groups, increased confidence of these groups in utilizing HCP to support their housing goals, housing plans developed by these groups, actual housing created with the support of municipal groups, solved affordable housing problems of various municipalities, improved local and state policies and infrastructure that support housing creation.
 - **Measurement Mechanism(s)/Benchmarks:** Commentary of these group's knowledge, confidence, and plans via the community survey. Number of problems solved for municipalities. Actual units planned for or created by local communities.
 - **Participants:** HCP Board of Directors and the Resident Advisory Council will receive this data in the CIP dashboard report in their regular meetings where they will also be able to comment on it. Data on community housing plans created, units planned, and units created will be provided in the public CIP dashboard report. These groups will have the opportunity then to provide comments via the community survey process. The feedback from all these groups will be used by the HCP Board of Directors to adjust and improve the organizational strategy plan for the following year.
- **GOAL:** Provide first time homebuyer support on the North Shore. If possible provide some modest first time homebuyer financial assistance to buyers below 80% AMI.
 - **Projected Outcomes:** The purchase of homes by program participant.
 - **Measurement Mechanism(s)/Benchmarks:** The number of program participants who purchase homes, the number of households below 80% AMI who participate in the program, the number of households below 80% AMI who purchase homes, the number of households below 80% AMI who access financial assistance for a housing purchase including closing assistance, deposit support, or first time homebuyer mortgage access.
 - **Participants:** HCP Board of Directors and the Resident Advisory Council will receive this data in the CIP dashboard report in their regular meetings where they will also be able to comment on it. Data on the program participants purchasing outcomes will be provided. These groups will have the opportunity then to provide comments via the community survey process. The feedback from all these groups will be used by the HCP Board of Directors to adjust and improve the organizational strategy plan for the following year.

Section 6

Collaborative efforts to support implementation

This section must identify existing and proposed collaborative relationships with other stakeholders, such as nonprofits, businesses, state and municipal government. Identify known collaborators when possible. Clearly identify the role of existing and proposed collaborations in supporting implementation of the Plan including the financing strategy, as applicable.

- **Stakeholder Involvement:** HCP has significant partnerships with other non profit groups, businesses, and municipalities in our service area. HCP views itself as a heavily embedded local body which is driven to respond to the needs of the community. Often these needs are expressed by these non profit or municipal partners. A sample list of HCP partnerships that will support the implementation of the CIP are included below:
 - The United Way currently provides \$40,000 in annual funding for development work and volunteers. They will also provide valuable community feedback regarding community affordable housing needs. This may change in the future as the North Shore United Way has merged now with the Mass Bay United Way.
 - Beverly Bootstraps and The Open Door provide food access to our residents. This includes a "mobile farmer's market" at particular HCP sites, EBT advocacy, and food pantry access. They can also provide assistance for clothing, housewares, holiday gifts and food, back to school supplies and other crisis intervention.
 - Montserrat College of Art provided artwork for some buildings and Montserrat teachers offer classes for residents.
 - North Shore YMCA provides exercise classes at our buildings.
 - HCP provides development services to the North Shore YMCA.
 - Danvers Council on Aging, Beauport Transportation and Northeast ARC provide transportation to some of our elderly residents.
 - Senior Care and Element Care provide state and federal home care funding and case management for elders respectively. Between them they fund the subsidized home care at Turtle Creek, Turtle Woods, Whipple Riverview Place, H.E.A.R.T. Homes, Rockport High School Apartments, and Pigeon Cove Ledges.
 - Element Care can also provide day services and medical services.
 - Associated Home Care and Action Inc. provide the home care funded by Senior Care and Element Care.
 - HCP provides a commercial space for the Acord Food Pantry. Acord can provide food access for Firehouse Place residents.
 - Lifebridge Shelter is providing case management services to the 26 new residents of the currently in process Boston Street Crossing Project as well as other programming at their nearby headquarters.
 - HCP will likely provide housing to some of the residents in Lifebridge's shelters.
- HCP worked with three Cities to help form an MOU with affordable housing development goals, with a focus on the formerly homeless, in each municipality. HCP is currently working on three projects in two of the Cities to help meet those goals.
 - HCP has worked with various municipalities to evaluate project opportunities or housing strategy. This includes affordable housing committees or trusts and/or municipal staff in Gloucester, Wenham, Hamilton, Danvers, Rockport, Georgetown, Peabody, Beverly, Salem, Ipswich, Manchester, Marblehead, and Boxford. HCP has utilized local capital in Rockport (twice), Hamilton, Beverly, and Salem. HCP is in the process of pursuing local capital in Beverly for two projects and Hamilton for two projects. Of the 22 communities in the HCP footprint 15 have either CPA funds and/or local Housing Trust funds. We expect to continue to partner with the existing communities already connected to HCP and to partner with others to finance projects, create local plans, advocate for fair housing, and solve specific issues.
 - HCP is committed to the local economy and often uses local vendors and suppliers to operate and develop housing. These include but are not limited to Moynihan Lumber, Salem Plumbing Supply, Siemasko+Verbridge Architects, Martins Construction Company, Inc., Groom Construction, Timberline Enterprises LLC, The Building Center, Inc., Doyon's Appliances, Tri-City Sales Appliances, Waters and Brown Paint, Helco Electric, Bilo Plumbing, Sperling Interactive, Brian Murphy Design, WAM Plowing and Heavy

Equipment, Wilson Electric, Stephen O'Brien Plumbing & Heating Co., Hayden Security Systems, Inc., and many more. We expect to continue building local relationships that will enable us to manage and develop property well while also creating a local pro affordable housing constituency.

- HCP has worked with and expects to continue to work with MHIC for tax credit financing.
- HCP expects to work with CEDAC, MassDevelopment, Boston Community Capital, and The Life Initiative among others to provide pre-development funds and bridge funds for housing projects. HCP has worked with CEDAC, MassDevelopment and Boston Community Loan Fund on past projects.
- HCP expects to continue working with MassDevelopment for any tax exempt bond financing.
- HCP plans to work with local banks for various kinds of financing and grant support especially as it may regard the CITC. These relationships will also be critical for evaluating and if needed implementing a first time homebuyer program. HCP has financing relationships with North Shore Bank, Beverly Bank, Boston Private Bank & Trust Co., Cape Ann Savings Bank, Eastern Bank, East Boston Savings Bank and the Institution for Savings. The banks here and others such as Salem Five Bank, Bank Gloucester, and People's United have been philanthropic supporters of HCP.
- Now that the first time homebuyer program is moving forward HCP plans to communicate with major area employers about housing needs they have for their employees with a focus on first time homebuyer housing. These will include Salem State University, Beverly Hospital, Addison Gilbert Hospital, Gorton's of Gloucester, Axcelis Technologies, Varian Semiconductor, Gloucester Engineering, Endicott College, Montserrat College of Art, Gordon College, North Shore Medical Center at Salem, and various smaller employers located at large facilities like the Cummings Center in Beverly and Shetland Park in Salem.
- HCP plans to continue working with Rockport Mortgage Corporation for any HUD financed projects.

Section 7

Integration of activities/consistency with community strategy and vision

This section must describe the interaction and interrelationship of Plan activities to be undertaken, including how the Plan fits into a larger vision or strategy for the entire community. It must describe how the Plan is consistent with other specific neighborhood, community or regional plans.

The need for affordable housing and the associated activities in this CIP are well supported in a variety of relevant national and regional plans including Harvard's *The State of the Nation's Housing* and *Housing Americas Older Adults*, the National Low Income Housing Coalition's *Out of Reach*, The Boston Foundation's *The Greater Boston Housing Report Card*, and the MHP report *Unlocking the Commonwealth*.

On the North Shore this evidence of the consistency of the HCP CIP with the community vision is more specific in the form of the North Shore HOME Consortium's periodic multi year strategic plan. By way of example the NSHC Plan has four objectives:

- 1) Develop More Affordable Rental Housing Including for those with Special Needs
- 2) Reduce Homelessness
- 3) Preserve Existing Affordable Housing
- 4) Expand Homeownership Opportunities for Low Income Households

The HCP goals in this CIP are very consistent with the objectives of the North Shore HOME Consortium.

Section 8

Financing strategy

This section must describe how the CDC will finance implementation of the Plan's activities.

It must demonstrate an understanding of the availability of financing sources and their applicability to implementation of the Plan. It must describe the CDC's past experience in using the proposed financing sources.

The Section should identify the level of commitment of other funding sources to implement the Plan including capacity

and strategies related to donations that result from available investment tax credits.

Summary: HCP has been in existence in various forms for over 5 decades. Our current operational model relies on property management revenue, development fees, investment income, asset management fees, and philanthropy including the CITC; a description of the various programs in this CIP and the associated funding are detailed below. A description of HCP's philanthropic history is here, as well as copy of a draft 3 year budget.

Operations and Programs:

- Property Management and Supportive Service Programs
 - Property Management is paid for by project revenue including cost coverage of site staff, management fees which support HCP management infrastructure, and some modest philanthropy
- Development/Preservation and Asset Management , Local Capital Use:
 - Development and preservation activity along with asset management and the pursuit of local capital is paid for with development fees (one time or over time) from projects or cash flow from projects with available asset management fees.
 - Development Expenses themselves are supported with a variety of sources per project. Examples of these sources are below:
 - Municipal: Local CPA or Trusts
 - Regional: North Shore HOME Consortium, FHLB
 - State: Various subordinate debt (AHTC, HIF, HSF, HOME, CBH etc), 4% credits, 9% credits, tax exempt bonds, State tax credits
 - Banks: First position debt, construction lending, direct low income housing tax credit purchasing, tax exempt bond purchasing. HCP uses a variety of local banks for this purpose including Boston Private Bank & Trust, Eastern Bank, Beverly Bank, Cape Ann Savings Bank, and North Shore Bank. Additional banks are available.
 - Federal: HUD projects would utilize Rockport Mortgage Corporation as the lender. USDA projects could use a USDA guarantee and a local lender or they could use a direct loan from USDA.
 - Predevelopment and Bridge Financing: This could be done with philanthropic lending as HCP is doing currently for a project in Wenham. This work could also be supported by traditional pre development lenders such as CEDAC, MassDevelopment, Boston Community Capital, MHP, and The Life Initiative.
- Public Education and Advocacy:
 - The planned stakeholder organizing including the support of the Resident Advisory Council and the community survey process will be paid for with the philanthropy generated as a result of the CITC.
- Resident Services: Planning and management of resident services staff, vendors, and partners is supported by philanthropy generated as a result of the CITC.
- First Time Homebuyer:
 - This program is supported by related program fees and with revenue coming from philanthropy generated with the CITC.

HCP Philanthropic History: HCP has successfully used and generated mainly local philanthropy in recent years. This philanthropy has supported our infrastructure, development work, and specific projects. The philanthropy generally comes from the following sources with the following requirements.

- Philanthropy
 - Operating Capacity Grants such as United Way (currently \$40,000) or Enterprise Foundation (currently \$30,000) or The Boston Foundation.
 - Book/Clothing Sales: Varies. Projected to be \$12,000 in 2018. Unrestricted and used to support infrastructure.
 - Individual Donations/Annual Event: In the range of \$135,000 annually. Unrestricted and used to support infrastructure and the We Care About Homes family units.
 - Grants for special projects: Varies from \$5,000 to \$75,000. Typically restricted to a specific project cost. HCP has generated in the range of \$300,000 in recent years.

Budget: Please see a basic draft budget for 2018-2020, provided as the final four pages of this document, pages 15-18.

Section 9

History, Track Record and Sustainable Development

This section must address two additional topics. It must provide a record or listing of examples demonstrating the CDC's history and track record of past practices and approaches to the financing and implementation of proposed activities in the Plan. It must also provide narrative and examples of the Plan's consistency with the Commonwealth's Sustainable Development Principles (see Exhibit 5).

- **Track Record:** HCP in its historic form has been developing and operating service enriched affordable housing as a part of the North Shore community for over 50 years. HCP is a creative, community based, and missionally persistent group of local people trying to make affordable housing available in this geographic footprint. As a demonstration of this history and current body of work two documents are attached here in section five. One document details the HCP North Shore property management portfolio. The second document describes the HCP development activity for the previous five years.

Exhibit 5

Sustainable Development Principles

1. Concentrate Development and Mix Uses

HCP redeveloped Firehouse Place in a downtown center within the footprint of an existing and deficient building. HCP also preserved and or rehabilitated We Care About Homes, Cotton Mill Coop, 23 Chase Street Beverly, Pigeon Cove Ledges, Turtle Creek, and Rockport High School Apartments (in process). Currently HCP is creating 26 units for the homeless by renovating two existing and run down rooming houses. HCP favors the reuse of existing buildings or sites when possible but is open to other locations when fair housing goals require it.

2. Advance Equity

HCP's mission and existence is rooted in making sure there is social and economic justice for current and future low and moderate income residents on the North Shore. In this affluent area HCP is here to make sure that those who would be excluded by current economic structures would instead be included. Working to create choice based access to communities with significant public resources and limited racial or economic diversity is an important part of HCP's effort. The creation of affordable housing options in these locations with long term restrictions makes this possible.

3. Make Efficient Decisions

HCP is not in control of this process but would welcome it deeply. Our relationships with local municipalities and their trust in us often can facilitate the pace and efficiency of permitting processes that might otherwise but more cumbersome. HCP continues to find processes expensive, time consuming, unpredictable, and risky. We pursue mission in spite of these processes not because of them. Often we see this working very well and at times the community building work is extensive before actual housing can be made. We are hopeful this can improve and we are eager to be a part of that process locally and regionally.

4. Protect Land and Ecosystems

HCP is committed to caring for environmental systems as a part of our work. As we currently attempt to permit a project in Wenham with sensitive wetlands issues and impact on the vulnerable Ipswich River we have worked very hard in the planning process. We have consulted in advance with the Town Planner and the Ipswich River Watershed Association. As a result of this we have established wetland lines, included a very high end septic system and drainage system in the plans, agreed to utilize local drought resistant plants, provide resident education regarding pharmaceutical disposal, and avoid pesticides and irrigation. HCP would extend its ethical commitments to providing housing for low income people vigorously into caring for the environment our residents will live in.

5. Use Natural Resources Wisely

HCP is committed to protecting natural resources. As noted above in a current permitting process in Wenham HCP is planning to create an Energy Star certified building and to make the building "water neutral" by reducing water usage and contributing to water efficiency in other areas in town to offset all water impact on the Ipswich River by the project. In another recent project HCP added a cogeneration system to create electricity on site. Currently we are considering adding solar panels to a third project. In all projects we are pursuing high efficiency systems, significant insulation levels, and well designed building envelopes.

6. Expand Housing Opportunities

HCP's purpose is to create housing opportunity for income groups not generally served by the market particularly in our footprint with many communities that only allow single family housing. We have a focus on rental housing for families, seniors and the disabled in need of services, and individuals. We are also eager to be involved with homeownership projects as the market requires affordable alternatives. In all our work we strive to make sure the projects we create are consistent with the communities they are in. Examples of this are Firehouse Place in Hamilton and the planning for very contextually respectful and missionally impactful projects in Wenham, Hamilton, and Rockport.

7. Provide Transportation Choice

Whenever possible HCP seeks to create and preserve housing close to public transport. Much of its housing currently is near bus and/or train lines. When that is not available HCP utilizes existing van transportation mechanisms to provide efficient and accessible transportation. HCP's current Salem project is next to a bus line. Its Rockport project is .25 miles from the commuter rail. Its three Beverly projects (one in partnership with the Y) are near different bus lines and the commuter rail respectively.

8. Increase Job and Business Opportunities

HCP works actively to use local vendors, contractors and suppliers.

9. Promote Clean Energy

HCP recently completed a large rehabilitation project of an existing 30 year old HUD 202 building. In the process we updated the HVAC systems, added two inch rigid insulation to the entire exterior, changed all windows to high efficiency models, switched from oil to gas, changed existing light fixtures for LED systems, exchanged existing exterior bollard lights for solar powered LED lights, and added a cogeneration system to create electricity on site. In a recent rehab of an old LIHTC deal HCP upgrades systems, added insulation where there was none and added LED lighting. Currently in the Salem project systems are being upgraded, walls are being insulated, and LED lighting is being installed.

10. Plan Regionally

HCP is the result of an intentional organizational planning process to move from a Beverly only organization to a regional North Shore entity. We support and live a regional approach to affordable housing development and management on the North Shore. Recently HCP was involved in supporting the creation of an MOU between three local Mayors that in part included a commitment to create a regional Housing Production Plan.

The HCP projected three-year budget 2018-2020 follows on pages 15-18.